

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket Nos. 2019-077-10116R

Parcel No. 320/04202-000-000

Leonard Holt,

Appellant,

vs.

Polk County Board of Review,

Appellee.

Introduction

The appeal came on for written consideration before the Property Assessment Appeal Board (PAAB) on July 31, 2020. Leonard Holt was self-represented and asked that the appeal proceed without a hearing. Assistant Polk County Attorney Dominic Anania represents the Board of Review.

Leonard and Dixie Holt own a residential property located at 119 3rd Street, West Des Moines. Its January 1, 2019 assessment was set at \$98,200, allocated as \$30,700 in land value and \$67,500 in improvement value. (Ex. B).

Holt petitioned the Board of Review contending the assessment was for more than the value authorized by law, and indicated in the section reserved for not assessable or exempt from taxes that the property was purchased with “plans to remodel but had to tear down house and not rebuilding”. Iowa Code § 441.37(1)(a)(2 & 3) (2019). The Board of Review reduced the improvement value by \$55,000 to \$12,500, setting the total assessed value at \$43,200. (Ex. B).

Holt then appealed to PAAB claiming the property’s assessed value is for more than the value authorized by law and that there is an error in the assessment. § 441.37(1)(a)(2 & 4).

Findings of Fact

The subject property is a one-story home built in 1910. It has 830 square feet of gross living area and an enclosed porch. The dwelling is listed as a 5-05 grade (Low Quality) in normal condition and is valued at \$10,000. A 280-square-foot detached garage is listed in below normal condition and valued at \$2500. The site is 0.166 acres and assessed at \$30,700. Holt purchased the property in February 2018 for \$52,500 from the Bank of New York Mellon (Trustee). (Ex. A).

On his appeal to PAAB, Holt reported the subject is “assessed \$12,500 for the building but there is no building on the lot”. He also submitted an undated photograph to the Board of Review showing a vacant lot. (Ex. C).

The Board of Review submitted a City of West Des Moines building permit issued on May 16, 2019 describing the work to be completed as the demolition of the house and garage. (Ex. D). The Board of Review asserts the improvements existed as of January 1 and they are required by Iowa Code Section 428.4(1) to value the property as of that date. Therefore, it believes no error in the assessment occurred since the improvements were present at that time. The Board of Review further noted the January 1, 2020 assessment of the subject property does not attribute any value to improvements. (Ex. E).

Holt further claims the assessed value is for more than the value authorized by law. Iowa Code indicates sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. § 441.21(1)(b). Holt did not submit any sales for comparison to the subject. Moreover, he purchased the subject property in 2018 for \$52,500, which is more than the 2019 assessment. The sale was from a financial institution and may not be a normal sale.

Analysis & Conclusions of Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the

appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R. 701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it.

§ 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted). Sales prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. § 441.21(1)(b). Under section 428.4(1), the value of the real estate is to be determined "as of January 1 of the year of the assessment."

Here we note the subject property did have a 2018 sale and had a sale price for more than the 2019 assessed value. The sale was from a financial institution and may not be a normal sale. Moreover, it does not support the claim the property is assessed for more than its market value. Holt did not submit any other evidence such as comparable sales; an appraisal; or comparative market analysis demonstrating the subject property's market value as of January 1, 2019.

Holt's over assessment claim rests solely on the demolition of improvements, which contribute \$12,500 to the subject's 2019 assessed value. Under section 428.4(1), the subject's value is to be determined as of January 1, 2019 and the improvements were properly considered in the assessment. Sometime in or after May 2019, Holt removed the improvements from the subject site. PAAB notes the improvements have been removed from the 2020 assessment. Holt offered no evidence the improvements had no value on January 1, 2019 or at any time prior to their removal. Further, without proof otherwise, we are not inclined to assume they had no contributory or market value

simply because they were removed. Viewing the record as a whole, we find Holt failed to support his claims.

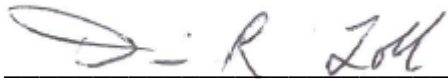
Order

PAAB HEREBY AFFIRMS the Polk County Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2019).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.

Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.



Dennis Loll, Board Member



Elizabeth Goodman, Board Member



Karen Oberman, Board Member

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Polk County Board of Review by eFile